



Maryland
Department of
the Environment

MARYLAND SCRAP TIRE ANNUAL REPORT

FY21 Data **October 2021**

Prepared for:
Senate Education, Health, and Environmental Affairs Committee

House Environment and Transportation Committee

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Executive Summary

Introduction

The FY21 Scrap Tire Annual Report, as required by Environment Article, Section 9-275(c), Annotated Code of Maryland, is prepared for the Senate Education, Health, and Environmental Affairs Committee and the House Environment and Transportation Committee of the Maryland General Assembly to advise the Standing Committees of the Maryland Department of the Environment's (MDE) progress in implementing the law and ensuring the proper management of scrap tires in Maryland. The report includes Maryland's Scrap Tire Program activities undertaken by MDE and the Maryland Environmental Service (MES) from July 2020 through June 2021, and describes planned activities for the coming year.

Financial Statement Summary

- The Environment Article, Section 9-275, Annotated Code of Maryland, provides MDE with the responsibility for administering the Used Tire Cleanup and Recycling Fund (the Fund).
- The Fund is generated through the collection by the Comptroller of the Treasury of an \$0.80 per tire recycling fee imposed on the first sale of any new tire in the state. This fee is set by the Board of Public Works (BPW) up to \$1 per tire.
- There was a 3% increase (from \$3,296,009 in FY20 to \$3,393,676 in FY21) in the amount of gross tire fee revenues deposited into the Fund (see Table I).
- MDE used \$692,626.30 of the revenues received by the Fund in FY21 for administrative expenses of the MDE Land and Materials Administration, as per Section 9-275(a) of the Environment Article.

Accomplishments and Results

- Maryland's licensed scrap tire facilities processed 7.4 million scrap tires in FY21, including 4.2 million Maryland-generated scrap tires, and 3.2 million scrap tires imported from out-of-state (see Figure 1).
- Maryland generated an estimated 6.2 million scrap tires in FY21 that were managed in the following manner: recycled or used as fuel in Maryland (67%) and exported to other states for disposal, recycling, or use as fuel (33%) (see Figure 2).
- Approximately 98% of the scrap tires processed in Maryland were recycled and 2% were used as supplemental fuel in a cement kiln and a solid waste acceptance facility.
- Since the inception of the Scrap Tire Program, more than 11.1 million scrap tires have been recovered from 1,134 illegal stockpile cleanup sites.
- During FY21:
 - Four illegal scrap tire stockpile sites were cleaned up, and approximately 12,755 scrap tires were removed (see Table II);
 - 100% of illegal stockpile site cleanups were completed by the responsible parties in response to administrative efforts and enforcement actions, without use of the Fund;

- 34 new scrap tire licenses were issued (see Table IV); and
- 110 scrap tire licenses were renewed (see Table IV).
- At the end of FY21, there were 2,697 valid Maryland scrap tire licenses (see Table IV).

**Table I – Maryland Used Tire Cleanup and Recycling Fund
FY21 Revenues and Expenditures**

Fund Balance (7/1/2020)	<u>\$ 949,116.54</u>
Add Open Prior Year Encumbrances	\$ 44,585.23
Adjusted Beginning Balance	<u>\$ 993,701.77</u>
FY21 Revenues *	
Gross Used Tire Fees Revenues after Comptroller Adjustment	\$ 3,393,676.19
Cost Recovery	\$ 0.00
Total Revenue for FY21	<u>\$ 3,393,676.19</u>
FY21 Expenditures	
Scrap Tire Program Expenses	\$ 1,011,892.25
Land and Materials Administration Expenses	\$ 692,626.30
Department Indirect Costs	\$ 356,119.53
Illegal Stockpile Cleanups <i>Garner/Brandywine</i>	\$ 609,132.89
MES Projects and Administration	\$ 27,699.81
Total FY21 Expenditures	<u>\$ 2,697,470.78</u>
Total Open Encumbrances	<u>\$ 18,360.07</u>
Total Fund Balance (6/30/2021)	
	<u>\$ 1,671,547.11</u>

* **Note:** Revenue collected from scrap tire penalties is deposited into the Maryland Clean Water Fund, not the Used Tire Cleanup and Recycling Fund. Scrap tire penalties for FY21 were \$10,750.01.

Overview

The Scrap Tire Recycling Act (Act) established a mechanism for the cleanup of illegal scrap tire stockpiles and for the collection, transportation, and recycling or processing of all scrap tires that are generated annually in Maryland. The Act established the Fund to support the Scrap Tire Program.

- MDE uses the Fund for administration of the Scrap Tire Program, such as scrap tire licensing activities, illegal stockpile cleanups, enforcement/compliance, remedial actions, and for the development and distribution of public information concerning scrap tire issues.

- Under MDE’s authorization, MES may use portions of the Fund to implement and oversee programs established as part of a scrap tire recycling system and other projects that reduce, recover, and/or recycle scrap tires.

Illegal Scrap Tire Stockpile Cleanups

Objective

To ensure that illegal stockpiles are cleaned up, the Scrap Tire Program initially attempts to use administrative enforcement procedures to direct property owners to remove illegal stockpiles using their own resources. If administrative enforcement efforts are unsuccessful, then the Fund may be used. In cases in which the Fund is used, the Scrap Tire Program seeks cost recovery from responsible parties for any expenses incurred at sites that are not eligible for exemption from paying cost recovery.

Accomplishments

Since the inception of the Scrap Tire Program in 1992, more than 11.1 million scrap tires have been recovered from 1,134 illegal stockpile cleanup sites.

During FY21, the Scrap Tire Program continued to oversee the cleanup and recovery of 117,171 scrap tires identified in illegal stockpiles at the end of FY20. There were no newly identified illegal scrap tire stockpiles in FY21.

In FY21, the Scrap Tire Program successfully completed cleanup of four illegal scrap tire stockpiles, consisting of approximately 12,755 scrap tires (see Table II). These sites were in four of the state’s 24 jurisdictions, and ranged in size from 65 to 10,000 scrap tires.

All the illegal scrap tire stockpile cleanups completed in FY21 were conducted by the responsible party without using the Fund.

Table II – Illegal Scrap Tire Stockpile Cleanups Completed in FY21

Site Name	County	Initial Number of Scrap Tires
Elkton Used Tires / Elkton	Cecil	10,000
Irene Glenwood Place / Nanjemoy	Charles	2,000
Ridgely / Mt. Airy	Carroll	690
Robinson / Hurlock	Dorchester	65
TOTAL SCRAP TIRES REMOVED		12,755

FY22 Ongoing Illegal Scrap Tire Stockpile Cleanups

The Scrap Tire Program expects to continue or complete cleanup on 34 illegal scrap tire stockpile sites in FY22. Most of the illegal scrap tire stockpiles will be cleaned up by responsible parties using administrative efforts and enforcement actions. Table III details the scrap tire illegal stockpile cleanups to be continued during FY22.

Table III – Illegal Scrap Tire Stockpile Cleanups Pending or Ongoing in FY22

Site Name	County	Legislative District	Initial Number of Scrap Tires
Snap Holdings, LLC / Clarksville (formerly Tyler Towing / Clarksville) †	Howard	13	61,376
Mt. Airy Auto & Truck Parts, LLC / Mt. Airy	Frederick	4A	15,000
Ewings Used Cars & Parts, Inc. / Middle River	Baltimore	7	4,500
Johns-Gibbs / Marydel	Caroline	36	3,050
Harpers / Elkton	Cecil	36	3,000
Tilghman / Easton	Talbot	37B	3,000
Hackett / Rhodesdale	Dorchester	37B	2,500
Frederick / Crownsville	Anne Arundel	33A	1,000
McIntyre / Huntingtown	Calvert	27B	1,000
Zepp / Pasadena	Anne Arundel	31	1,000
DNR / Mardela Springs	Wicomico	37B	1,000
Thomas / Chesapeake Beach	Calvert	27B	1,000
Tucker Enterprizes, LLC / Clarksville	Howard	13	800
Lynn / Upper Marlboro (Charles Lynn Property)	Prince George's	27B	750
Szymanski / Rock Hall #2	Kent	36	600
Beachwood North H.O.A. / Sparrows Point	Baltimore	6	500
Turner Transit / Capitol Heights	Prince George's	24	500
Decatur / Cumberland	Allegany	1C	500
Carter / Nanjemoy	Charles	28	500
Munson / Waldorf	Charles	28	500
Johnson Auto Parts & Recycling / Indian Head	Charles	28	300
Rodenhauser / Bowie	Prince George's	23B	250
Tower Terra, LLC / Brandywine #2	Prince George's	27A	250
Roberts / Ocean City	Worcester	38C	200
Bruner / Galena	Kent	36	200
WMATA / Landover	Prince George's	18	200
Womack Brothers, Inc. / Baltimore SWP	Baltimore City	44A	200
Sarver-Hill / Cumberland	Allegany	1B	200
Pasta / Abingdon	Harford	34B	150
Monocacy River at Devilbiss Bridge Road / Frederick	Frederick	4	100
Anne Arundel County / Pasadena	Anne Arundel	2	100
Bailey-Dean / Hurlock	Dorchester	37B	80
McAleer / Dickerson	Montgomery	15	60
Connors / Mt. Airy	Frederick	4	50
TOTAL SCRAP TIRES REMAINING TO BE REMOVED			117,171

† Cleanup preparations began using the Fund before the property was sold. The remainder of the cleanup is expected to be performed without use of the Fund.

State Funded Illegal Scrap Tire Stockpile Cleanups

No new state-funded illegal scrap tire stockpile cleanups were initiated in FY21.

Scrap Tire Projects

MES has the primary role in the planning and implementation of scrap tire projects to promote the development of new technologies for processing scrap tires while reducing, recovering, and recycling scrap tires from illegal stockpiles in Maryland.

Projects Initiated During FY21

MDE did not initiate any scrap tire projects during FY21.

Licensing

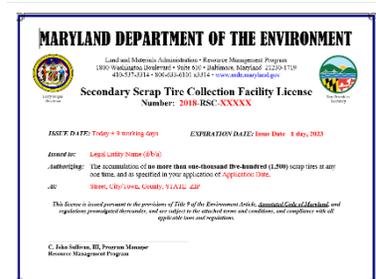
Under Section 9-228 of the Environment Article, MDE is required to license facilities that collect or process scrap tires, as well as scrap tire haulers.

This comprehensive licensing program allows for the efficient management of scrap tires:

- From the point of generation;
- Via a licensed or approved transportation system; and
- To a licensed or approved scrap tire facility for the transfer, collection, or processing of the scrap tires.

MDE issues the following types of scrap tire licenses and approvals:

- Scrap Tire Recycler License – For a facility that converts scrap tires into marketable products.
- Scrap Tire Collection Facility License – For a facility that collects or accumulates scrap tires temporarily on a site and transfers scrap tires to licensed or approved scrap tire facilities. There are three categories of collection facility licenses:
 - General License: Sites with up to 50 scrap tires at any given time.
 - Secondary License: Sites with up to 1,500 scrap tires at any given time.
 - Primary License: Sites with more than 1,500 scrap tires at any given time, based on the capacity of the facility.
- Scrap Tire Hauler License – For a person who, as a part of a commercial business, transports scrap tires in the state.
- Substitute Fuel/Tire Derived Fuel (TDF) Facility Approval – For a facility that uses whole or chipped scrap tires to replace or supplement existing fuel sources.
- Solid Waste Acceptance Facility (SWAF) Approval – For a permitted refuse disposal or acceptance facility that accepts scrap tires for collection or processing.



Licensing Accomplishments in FY21:

- 34 new and 110 renewal scrap tire licenses were issued (see Table IV).
- There were 2,697 valid scrap tire licenses and other approvals at the end of FY21.

Table IV – Scrap Tire Licenses in FY21

Type	New	Renewed	Total Issued (FY21)	Total Valid Licenses
General Collection	6	N/A	6	1,478
Secondary Collection	9	87	96	729
Primary Collection	0	0	0	5
Recyclers	0	0	0	4
TDF Facility	0	0	0	2
Solid Waste	0	0	0	0
Haulers	19	23	42	479
TOTAL	34	110	144	2,697

Scrap Tire Markets

All licensed or approved scrap tire facilities and haulers are required to submit semiannual reports to MDE, which are used to compile scrap tire markets data. The reports must include:

- The origin and number of scrap tires received, collected, or processed at the facility;
- The scrap tire haulers that transported the scrap tires;
- The quantity of scrap tires transported, in number or weight; and
- The approved facilities where the scrap tires were deposited.

There is no data currently available on actual amounts of scrap tires generated, so an estimate based on population is used. Based on the assumption that scrap tires are generated at a rate of one tire per person per year, the most recent census numbers were used to estimate that 6.2 million scrap tires were generated in Maryland during FY21. The actual number of scrap tires generated could vary from the estimate due to factors such as economic conditions, special government programs, product recalls, and other factors.

During FY21, the state’s scrap tire processing facilities managed approximately 7,389,915 scrap tires. Details are provided in Tables V and VI.

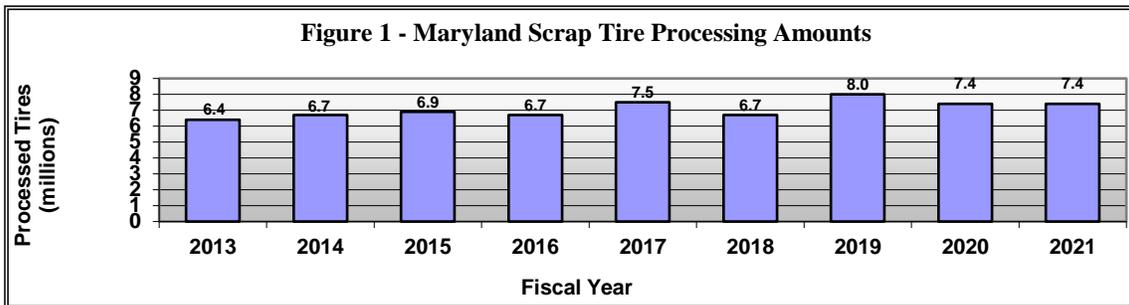
- This represents a 0.08% increase from the previous year (see Figure 1). The 7,389,915 scrap tires processed include approximately 56% (4,162,547) Maryland generated and 44% (3,227,368) imported scrap tires.
- Of the 7,389,915 scrap tires processed, approximately 98% (7,237,897) were recycled, a 1% increase from the percentage reported in FY20. The remaining 2% (152,018) were used as fuel.

Table V – Maryland Licensed Scrap Tire Processing Facilities

Facility Name/Type	Location	Operation	Telephone	Scrap Tires Processed in FY21
Emanuel Tire Company / Recycler	1300 Moreland Avenue Baltimore, MD 21216	The company has been processing scrap tires since 1957. The operation converts scrap tires into 1-to-2-inch size tire chips.	(410) 947-0660	5,553,441
Auston Tire Recycling / Recycler	1202 Pauls Lane Joppa, MD 21085	Processes scrap tires into products such as rubber mulch material for landscaping or playgrounds.	(410) 335-1016	1,425,471
Holcim US, Inc. / TDF	1260 Security Road Hagerstown, MD 21741	The operation utilizes tire chips as a supplemental fuel in its cement kiln to generate up to 35% of the process heat needed to convert the raw material into cement.	(301) 739-1150	145,675
K & K Tire, Inc. / Recycler	816 Oregon Avenue Linthicum, MD 21090	Processes scrap tires into products such as rubber mulch material for landscaping or playgrounds.	(410) 636-2002	258,985
Wheelabrator Baltimore LP (BRESKO) / SWAF	1801 Annapolis Road Baltimore, MD 21230	The facility has been approved to burn scrap tires with municipal solid waste.	(410) 234-0808	6,343
Fort Detrick / SWAF	393 Beasley Road Frederick, MD 21702	This federal facility has been approved to burn scrap tires with solid waste and medical waste.	(301) 619-2323	0
TOTAL				7,389,915

Table VI – Maryland Scrap Tire Markets Data

Facility Name/Type	MD Generated Scrap Tires	Out-of-State Generated Scrap Tires	Scrap Tires Processed in MD in FY21
Emanuel Tire Company/ Recycler	2,920,654	2,632,787	5,553,441
Auston Tire Recycling/ Recycler	925,282	500,189	1,425,471
Holcim US, Inc. (formerly St. Lawrence Cement Co.)/ TDF	51,283	94,392	145,675
K & K Tire, Inc./ Recycler	258,985	0	258,985
Wheelabrator Baltimore LP (BRESKO) / SWAF	6,343	0	6,343
Fort Detrick / SWAF	0	0	0
TOTAL	4,162,547	3,227,368	7,389,915



Of the estimated 6.2 million Maryland-generated scrap tires, approximately 66% (4,104,921) were recycled in Maryland facilities and 1% (57,626) were used as fuel in Maryland facilities during FY21. The remaining 33% of the Maryland generated scrap tires (2,037,453) were exported to permitted facilities out of State (see Figure 2 and Figure 3).

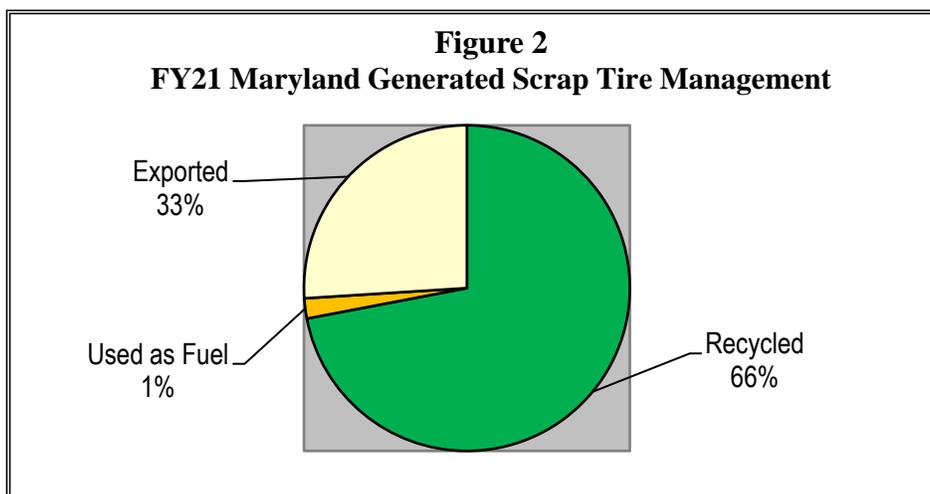


Figure 3 – Scrap Tire Flow in FY21

